providing access to the resources via the internet. Libraries have always played a significant role in ensuring that no one community, no one group of people or one ethnic group goes unserved. Access to information no matter in what format is a fundamental need that our government must meet for every citizen of this country.

Alaska is the largest state in the union with extremely remote villages and communities. To this day only 85 percent of the population has access to the internet with services ranging from T-3 lines to 24.4 baud modem Dial-Up connections. The statewide electronic doorway or SLED subsidized by the University of Alaska and the State Library made it possible for small rural communities to have access to the internet through a Dial-Up service.

In addition, the State in recognition of the importance of a well informed citizenry provided one time funding to the Statewide Data Bases for Alaskans Project. This project was designed to provide a collection of data bases rich in periodicals and newspaper articles to every resident of Alaska from Barrow to Ketchikan. It is just the first step among several new initiatives that we're planning to provide users with access to a virtual library of resources, including multi-media resources. However, we find that a good 20 percent of Alaskans cannot use these resources because of lack of telecommunication infrastructure in their communities.

Improved broadband access has also a significant impact on another important area which you've discussed today, health care. With the development of telemedicine we need to deliver information to health care professionals all over the state. The Consortium Library at UAA, for example, has already been exploring new technologies to deliver information quickly to the rural health care providers, so the development of broadband access will significantly improve access and into the speedy delivery of health care.

And development of E commerce are presenting Alaskans with new business opportunities enabling them to participate in this revolution without the disadvantage of being distance and removed from the Lower 48 metropolises of the United States. It's going to enable a small business entrepreneur to have advantages that were not available before. So I urge you to support equitable access to the provision of broadband services to all Alaskans to the last mile.

We cannot use the affordability issue to leave anyone out, it's too costly an excuse. The Alaska Library Community which has always been vitally interested in a healthy, educated and economically viable state is standing by to assist in every possible way.

I thank you for the opportunity to testify today.

LT. GOV. ULMER: Thank you very much, Ramya, for reminding us of the importance of equal access to information and the

role that libraries have historically played in that. Thank you very much.

Greg Healy with Presentation Products, I believe is -- thank you.

MR. HEALY: Thank you very much for giving me the opportunity to speak today. And I really represent like some of the other people did today, the strategic partner, the solution provider segment of this issue. And Presentation Products is sort of that delivery vehicle and we focus very heavily on the video teleconferencing. And coming from the Lower 48 to Alaska to do business I didn't -- I think I got a little bit spoiled. And so coming up here I didn't really believe that it was going to be an issue.

And Mark Springer from the DDC mentioned a test that was done with white boarding as well as with video teleconferencing. I was part of the team that went out there to do that and it just did not work. And so I think that that's really why this whole topic and subject has become very dear to me because it's an issue that Bethel is facing with the LKSD as well as many others where you have 56 different villages and a calculus class that needs to be taught, and you don't have 56 different teachers. And that's just one example of how this can be utilized as well as on the telemedicine side.

Many people made a lot of very great comments today on the

distance education segment. And Mr. Chick Beckley made a comment, which I can relate to, which it's all about people, not bits and bytes. And I very much agree with that. And that's why I found today so interesting is because I'm here to really find that solution because I can't provide a solution to the communities without the proper bandwidth, without Bethel another segment was missing. And I'm desperately in need of partnership there and everyone else in this room to work with. Whether it's going to be satellite, whether it's going to be ISDN because the other comment made by Dave Fauske, I don't know if I'm butchering his name or not, but referred to Alaska is a combination of Minnesota and Micronesia. Anchorage and Fairbanks, ISDN.

I've ISDN in my office, but I don't know if everyone knows this, but ISDN can only go outbound out of Alaska, no inbound ISDN can happen. So that leads me to a statement which must be made that when services are going to be deployed in Alaska they must be deployed fully. And I think we have to deploy them in a manner which we get as much as we can up front. And believe me, people find a way to use that bandwidth.

And the only thing that I'll leave you with is that the thing that I encourage all of the people that I do business with to do is to do a forecast, a business forecast of their associated technology, and then a scalable solution can be implemented. And people like Skybridge, they must be

considered very heavily and we must look at a solution that's going to take us, not what's going to work today, but what's going to work three years from now, five years from now when, you know, all these things become very, very real and they're right in front of us. So I appreciate your time and it's very much a pleasure to speak for you.

LT. GOV. ULMER: A very quick question.

MR. HEALY: Sure.

LT. GOV. ULMER: You said you went out to figure out where or not it could work and it just didn't work. Why didn't it work?

MR. HEALY: It was a bandwidth question. You know, they're teaching a class to students and some people will say 128k will work. And I believe it was Chairman Thompson, I hope I'm doing your title correctly, you had a question in regards to video quality being key. 128k connection is going to give you 15 FPS or 15 frames per second. 384 is going to give you 30 frames per second. It's pretty much real time. You're looking at maybe a half second delay. And if I'm wrong there and there's people in here that know they can definitely inform, but 30 frames per second is very doable. And you're going to lose a lot of -- a lot of children's or students interest in a class at 15 frames per second.

So in Bethel, going back to your question, we tried to do a test literally less than a mile away between the LKSD and the

University right up by the DDC. And we could not get any video quality and we could not get any audio. It just wasn't happening. Some of the remote sites aren't running 128. They're running 80k, they're running 60k, so that's.....

LT. GOV. ULMER: Is this the last mile or the long mile?

MR. HEALY: This was -- I'm actually talking about two different things. The first one was the test there between the two different sites in Bethel. And the second one was just the research that I did about what actually is going on in the remote sites and the different villages on what type of bandwidth they're running. So it was a question not of hardware, not of anything else, but of there not being enough bandwidth to carry the video quality, compression and decompression of video. Thank you.

LT. GOV. ULMER: Thank you. Martin Cary of GCI, are you still here? Yes.

MR. CARY: Thank you, Lieutenant Governor. Well, I couldn't let those last comments go without at least offering a counter-perspective.

I'm representing GCI, but I'd like to maybe represent a position that in 1990 while representing the North Slope Borough School District trying to build a network in a non-competitive environment I spent over 18 months working with the then current long distance provider to convince them to invest in infrastructure to support our application. The only

proposal was that I buy all of the equipment necessary and then pay a very large monthly fee.

Knowing a little bit about the telecommunications business if it wasn't for the weight of the North Slope Borough and their belief that the North Slope Borough had the financial resources to bypass them, they finally provided service. You shouldn't expect -- you shouldn't have to have that kind of confrontation with, you know, your potential provider in the long term.

Another incidence, and I'm not going to go through -- there's been a lot of debate about competition in Alaska, but a couple of other examples. In 1999 Health Corporation in Alaska had up on the rural health care web site a request for data service for 18 months without any responses. It was an area that we didn't have facilities. We responded anyway after 18 months and they accepted our proposal. There was a carrier that could have responded but for some reason didn't. So.....

Another example is just look at long distance phone rates in this state, you know, they were in the 30 to 50 cent a minute range, analog technology, double hopped. Mid-1990s GCI built out a 50 site DAMA project which was a demonstration project at the time and is providing single hop, digital connectivity at 14 cents a minute. What's happened to long distance rates in all of those communities? It's now 14 cents a minute.

Incidentally, the other long distance provider shortly afterwards announced their own DAMA project. So competition obviously brings heightened interest.

In the area of internet in schools, internet being an unregulated service we've provided proposals in all areas of the state where schools had their requests on their 470s on the Schools and Libraries web site.

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(Tape change)

Tape 5

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In many cases we were the only bidder. If we hadn't have bid that service, they wouldn't have had service. Now when they put their 470s up, they have a significant amount of interest. And prices have dropped probably 25 percent since the first year that we provided service, and now the current kind of services which are being proposed.

In regards to the last mile, I'll agree with the local exchange carriers that have said that they can support T-1 and DSL kinds of connectivities. I personally haven't experienced problems with the last mile in rural Alaska. In very few cases, their plant may not have had the -- enough wire pairs, and there was certainly a delay in build-out, but in terms of the plant, they're in -- generally in pretty good condition. However, as technology marches forward and we begin to deploy

our next evolution of programs, we may, in fact, have a local loop problem.

We will be delivering multi-megabyte service into our satellite stations. The capability of our stations are not limited to the low bandwidth being deployed today. It's an issues of efficiencies, and we're not foolish in that. The way we've had to deploy because of the technology and the network, it is inefficient, and we're moving very quickly to change that. So there will be multi-megabyte connectivity into these small communities.

So just to follow up, competition motivates people. It's what drives innovation, and I think it's foolish to think otherwise. Thanks.

LT. GOV. ULMER: Thank you very much, Mark. Or, oops, sorry. Wrong piece of paper. Mark Vasconi is next. That's the piece of paper I was looking at. I apologize. And I think after that we've only Karen Crane, if I'm not mistaken. If there's someone else that -- Mark? Okay. Great.

MR. VASCONI: Good afternoon, and thank you. I also want to say thank you to Martin. You actually made some comments that I was about to make, but I will reiterate them quickly.

I wanted to focus on the issue of which is the most efficient, one carrier going into a particular community to provide backbone transport or numerous carriers potentially going into a community to provide backbone transport. And I

think there's some history that we've been able to observe very recently. And by that I mean within the last five or six years.

Prior to 1995 Alascom had a monopoly throughout most of Bush Alaska, and with GCI's 50 earth station deployment of DAMA capabilities, we have seen not only rates drop, not only in -- not only in rural Alaska, but also in urban Alaska for a number of reasons, but we've also seen the deployment of new technology in locations in the Bush. We've seen the deployment of new services, and that technology deployment that I referred to has not only been in terms of DAMA, but we've also seen deployment of technologies such as VSAT, small aperture dish satellite capabilities that GCI has brought to the Bush.

I think the record seems to indicate that when competition has been provided in rural Alaska, the benefits have largely been those that have accrued to end users.

From the standpoint of efficiency, I think it makes great sense to try and promote whatever efficiencies one can get through aggregating traffic, whether that aggregation is with schools, libraries, village centers, as well as health care organizations, and then have competition for the backbone piece of the network. That seems to be something that in certain respects we may be seeing with the schools and libraries program where we are competing for service to the schools.

GCI is competing for service to the schools. We're

deploying a particular form of architecture. GCI may be deploying something else. And it occurs to me that that's the kind of result one wants to see with competition. Not only does competition mean a reduction in prices and a possible increase in services, it may also mean an increase in how technology is used in the network, or at least some variation in how technology's used in the network.

So overall, I believe, the 50 earth station demonstration project that GCI has put together, as well as the investment in the network that GCI has advanced has been good for consumers, and I think it's also been very good for AT&T Alascom in that it has forced us to focus on issues and on technologies that otherwise we may have taken a longer and more studied approached to. Competition means you have to make decisions and you have to invest. Thank you.

LT. GOV. ULMER: Thank you very much, Mark. Karen Crane, the director of the Division of Libraries.

MS. CRANE: Thank you. One of the reasons that I wanted to come today to take an opportunity to say how much we support the hard work that the FCC and some of the FCC commissioners have done on the E-Rate, even this far outside the Beltway. I think it's fair to say that we're aware of the pressures, the political pressures that have been brought to bear on this program, and we really appreciate your hard work.

I hope that you can see that E-Rate has been a tremendous

success in Alaska. It has pushed the technological infrastructure light years farther and faster than would have happened without it. I'm amazed at listening to the testimony and the discussion today at how different the problems are today than they were just two or three years ago, and it's E-Rate that has now pushed us to the opportunities that we're seeing.

I'm sure you're aware, but maybe some of the audience is not aware that of the 50 states, Alaska has received the highest amount of per student subsidy in the first two years of the E-Rate program, about $179 per student. The reason we've done so well, of course, is the great need that there is in the state, the high cost, and then some very hard work by a lot of the people in this room.

Libraries have not been as successful as the school districts. And in talking to my peers across the country, I think that Alaska is not unique with the problems here. Only about half of our public libraries are participating. Quite a few of those only are receiving POTS. Of the public libraries in this state, half of our public libraries operate on total annual budgets of $25,000 a year or less. And of those, a number of them, it's $15,000 a year or less. So you can see that we don't have a lot of technical expertise resident in those public libraries.

The complexity of the program, even with the significant

hand-holding that the State Library is trying to provide to public libraries around the state, there's a strong disincentive for libraries to participate. The hard deadlines, the changing and complex rules are just, frankly, more than they can cope with. You can imagine our amusement as the close of the year two window was extended because of a snow storm on the East Coast. There is no next day air service available for much of Alaska. Next week service is often not an option either, and so those hard deadlines are very difficult for the public libraries.

I think that Chick Beckley's comment earlier this afternoon sums up a lot of what I want to say, and that is that we are still thirsty.

In speaking to the lack of cooperation between the health programs and the schools, I think a lot of what you're seeing there has simply been the difference in roll-out between the two programs. We're now entering into year three of E-Rate with the schools, we finished year one with the health care programs. And I think as both programs stabilize and start moving, they're going to see a lot more cooperation there. That's one of the roles that we've taken at the State Library is trying to encourage in all of the communities that we're dealing with, and especially those communities with very small public libraries that don't have the expertise that we've talked about, that they cooperate and partner with other

agencies in their community.

My concern with the E-Rate today is the same that it was in the beginning. I have learned today that I'm going to have to change my terms, because I keep calling it the last mile issue, and what I mean by the last mile, I suppose, after listening to the discussion today is really the last person issue in Alaska.

The private sector really has stepped up to the plate with E-Rate and has worked hard to meet the needs across the state. I've heard today several times though that we have plenty of capacity, that the problem is money. How many of our citizens are we going to leave behind? Is there an acceptable percentage here, you know, five percent, ten percent, 15 percent?

Still today we subsidize telephone service across this country, and I believe that the state -- at the state and federal level we're going to have to commit to subsidizing internet service in some way to meet the needs of our rural residents. Whether it is with competition, whether it's with one service that serves statewide, I don't know the answer to that. But at some point, to reach that last person in Alaska, we are going to have to step up and be able to provide some assistance.

At the State Library we continue to fund SLED, Statewide Libraries Electronic Doorway, and we are trying to provide

access to citizens of the state who live in areas without other service. And we pay the telecommunications cost for that service. We've tried hard not to compete with the public -- the private sector there. We don't offer e-mail. You know, it's basic service. We also have an amount of time, that public can log on for an hour and then they're off. We also offer the service without graphics, so that they're not as worried with pulling those graphics through modems that just won't handle it.

But even with this service, we can only reach somewhere now over 40 communities in the state that aren't able to get service in any other way. We'd be willing to expand that if there were a statewide option available to us. At this point, there's not. So we still have a long way to go in the library community.

In listening to the discussions of economic development, we live in an information age. Access is important, but information is as important as the access in helping to fuel that economic development. And so we think that what libraries can provide are very important. We appreciate your help and assistance.

LT. GOV. ULMER: Thank you, Karen. I just want to thank you in a public session for all the work that you and your staff did working with the school districts all across Alaska to make sure that they were all ready to apply for E-Rate, and

I think our per capita ratings reflect in large measure the fact that you were ahead of the curve in comparison to many states.

MS. CRANE: Uh-huh. But it's Stella back there that really gets the kudos.

LT. GOV. ULMER: Okay. Stella, you, too. Thanks. Mark Springer.

MR. SPRINGER: Thanks very much. My name is Mark Springer, I'm the coordinator of the Distance Delivery Consortium in Bethel, and for the record I'd like to name the DDC's members, our full members. The Kuskokwim campus of the University of Alaska Fairbanks, the Yukon Kuskokwim Health Corporation, Lower Kuskokwim School District, Lower Yukon School District, Yupiat School District, Kashunamiut School District, St. Mary's School District, Bethel Broadcasting, Incorporated, KYUK, and the City of Bethel, Alaska.

The DDC is a statewide leader in community networking through our region's common e-mail and bulletin board platform, the first class system. Nearly 5,000 residents of the Y-K Delta have internet e-mail accounts, and our member agencies e-mail servers are interconnected via TCPN -- TCPIP and POTS, providing what all our users consider to be a critical regional technical resource.

It's really evident from what Jack Rhyner and what Marvin Yoder and Ernie Baumgartner said, is that in rural Alaska,

demand exists for internet service, and that -- not only demand, but, you know, it grows exponentially when the service is there. Sadly, not every teleco or potential provider in the state believes this to be the case. But what Galena and McGrath show is the same Alaskan spirit that the bush pilot who had crashed in the middle of nowhere and then hack out a landing -- a take-off strip and carve himself a new propeller shows. That very same spirit. And it's very, very inspiring I think for all of us that live in rural Alaska and either don't have the connectivity we want or don't have it at all, can look at these two communities and really say, right on.

As far as an advanced network for Alaska is concerned, I agree with Jack and with Tom Brady, that the time is here to have some long-range planning discussions. You know, it used to be back when RCA ran things, they were required to put out a communications plan every year. I remember those, the Alaska Communications Plan. And, you know, we don't have that now. We've got a very competitive situation between the two instate carriers and, you know, whether that's in the long run going to be good or bad is hard to say, but I think it's very appropriate to do some long-range planning, and I think that an appropriate way to do this is to encourage Senator Stevens to commission the Office of Technology Assessment to take a look at the Alaska network and Alaska network's needs. And the reason I say is that OTA has a real good name here in Alaska,

particularly from the rural water and sewer study that they did.

As a father of five children who range in age from four to 16, I need to take the long view, and I really believe that a long range solution, something you have to look as an extension of the terrestrial digital microwave system from the Railbelt out to rural Alaska. I think that you can go down through Lake Minchumina into McGrath, up to Galena, and down into Bethel doing that. I think the first natural deal, really, is for somebody to go and run a toll grade microwave system from Bethel to Aniak. You can do it with about three hops, and Alascom and GCI will shut down their earth stations in Aniak in a heartbeat and jump on that and run into Bethel, and we'll have that whole upper Kuskokwim area will -- will have that high speed service. Digital microwave radio is actually faster and better than fiber.

Using the existing Alas -- Air Force long-range radar sites, mountaintop sites along with additional intermediate points, I think that over the years we can build a robust terrestrial network. And the nice thing about doing that is a 50-year mortgage. I mean, the existing system that we've got right now, the CIRIS system and Alascom's microwave system, those are old towers. That's not new equipment. That stuff was built during World War II, and those towers are still holding up fine.

And I think we -- I think that that's really in the long run, and everybody's talking two years, five years, we need to take a real, real long view. We don't know what's going to happen 30 years from now. You know, satellites are very vulnerable, satellites are very expensive. They've got to be replaced. I really think that the long-range telecommunications planning for this state has got to be thinking about moving out terrestrially, and, you know, it's a good way to go.

As far as the E-Rate's concerned, I'd like to suggest that review of the impact and the efficiency of the E-Rate and RHC funding in Alaska get done with an eye towards identifying ways of saving tax dollars. Let's remember. What's the E-Rate? The E-Rate's -- 20 years ago the E-Rate was the war tax. Remember, we used to pay war tax on telephone bills. Now we're paying E-Rate tax. I think speaking, you know, from the perspective of my members as consumers of this subsidy who want it to last forever, you know, we can support nothing less than taking a good hard look at it. Sure, it's a new program. It's very expensive, and I think that there -- whether it's using wireless equipment in a local loop, or whatever, I think that there are efficiencies that can be found.

Finally, I would like to suggest that community technology centers be figured into the USF program somehow, whether they're made as an affiliation with schools or what. I mean,

the fact is that guys like Ernie Baumgartner or Marvin Yoder notwithstanding, you're going to hear local providers saying, but we need some kind of a subsidy to bring service to the public. We need some kind of an anchor tenant to bring service to the public in these small communities. I hate to say it, but there are people in the industry who still don't get it. And, okay, fine.

Let's figure out a way to bring some more subsidy for them, and I think the community technology centers, there's only one or two in Alaska, but they're a great idea, and they're a way to get, you know, technology in the hands of people. We hear a little bit of talk about kiosks, things like that. If there's a way to include CTC's into the E-Rate program, or to the USF program, I think it would be very, very helpful to rural Alaska.

And on behalf of the Distance Delivery Consortium and its members, thank you for having this hearing, and I sure appreciated the opportunity to be on a panel, and the opportunity to testify to you this afternoon.

LT. GOV. ULMER: Thank you, Mark. Are there any people that I have missed, and if so, would you just -- whoever else wants to testify who hasn't, if you'd come to -- down to the front row? I will have to ask you to keep your remarks to just a couple more minutes, because I was basing how much time I gave people based on how many people had signed up, and -- so I

apologize, but just a couple of minutes.

MR. TOYER: Good afternoon, Lt. Governor, Commissioner. My name is William Toyer. I work for the Southwest Alaska Municipal Conference. We're a regional economic development district, and we represent 50 communities in the southwest of Alaska. But that's really not what I want to talk about.

What I'd like to talk about is the social consequence of the deployment of these technologies. We're really encouraging the empowerment of communities, and that's a lot different than just asking for their input. I think that it would be useful to look to partnering, and opportunities for partnering within the communities themselves, asking about what their requirements are, and their insights into what their requirements are are really important if you're going to actually genuinely partner with communities.

Later this month we're going to have an opportunity to discuss the rural/urban divide in Alaska, and I think that the deployment of advanced telecommunications is one way to bridge the differences within our communities. I think that this is an important critical component of it.

But a separate issue, as you consider the aggregation of services, I'd like you to consider the access for emergency services. Some new emergent areas of demand could be telejustice and public safety. And I'd like to see that communication that's critical in times of disaster is available

throughout Alaska.

And finally, the real purpose of deploying advanced services could be the lifting up of Alaskans spirit as a community and as a whole. And I'd like to see that happen as a result of some your inquiries today. Thank you for your time.

LT. GOV. ULMER: Thank you. Thank you very much, (indiscernible). Are you testifying? Tom?

MR. BRADY: Thank you, Lt. Governor Ulmer. Just real briefly, I'd like to talk about one subject that we didn't get into this morning, but it's the cumulative effect of regulation on network architecture. If you look in the history of Alaska, we never really paid for our own network. In World War II, the military came in and put in a network. We fundamentally used that in some variation until the mid 1970s. After that, that was sold. GCI represented the first new input in the early '80s from outside of a network.

Now we've evolved to where the architecture of our network is driven by the regulations that pay for it. It's not paid by the consumers, it's paid by the regulators. It's paid by the people in Kansas and New York. So, consequently, if we don't take long-term view of the impact of the cumulative effect of regulations on what it does to the network, you build a network that the regulators create the market for. I think the best example of that is DAMA. It does a wonderful job of voice, but it results in 70 percent of the network not being available for

doing any other service.

So I'd challenge, you know, the regulatory structure, be it state and federal, to look five years down the road and say what is going to be the impact of Skybridge if it works? Is it going to undo what we've built in the state of Alaska? What we have to be wary of is that in the future there will be people coming into our yard who don't live here, and who simply -- whose business plan doesn't include here, but it can. That's the most significant input to our network in the future is somebody from Outside. And it's independent of the regulatory structure, and we have to understand what the impact of that's going to be on our network, because five years from now it probably won't look quite the same. Thank you.

LT. GOV. ULMER: Thank you, Tom. Steve?

MR. HAMLEN: Thank you, Lt. Governor. I'm Steve Hamlen with United Utilities. I'd like to thank Commissioner Ness and her staff for coming to Alaska once again. We had the pleasure of having you in Hooper Bay.

United Utilities is a -- is the only Native owned telephone company in the state of Alaska. Most of our shareholders live at or below the poverty level.

One of the things that I'd like for you to give some thought to when you talk about advanced services, 20 years ago our villages didn't haven any telephone service at all. Today they do have telephone service. And when you look at our 6200

customers, we have two-thirds of those customers that participate in the Lifeline Program, and two-thirds of those customers toll block their telephones. And these customers can't afford to place long distance calls at 14 cents a minute to do things that you and I who live in urban communities can do. If you're in Noatak and you want to talk to a doctor or to a dentist or to perform other activities that we can do locally in Anchorage and other urban centers, you have to place a long distance call. So we do not have comparable local exchange services throughout rural Alaska.

Now, one of the things that we -- we proposed several recommendations in your underserved and unserved proceeding, and we did get support from the State of Alaska and the Commission to see if there isn't a subsidy mechanism that we could target to low income households to expand the low income lifeline program to include assistance for low income households. So in the discussion of advanced services and so forth, I just thought it might be beneficial to take this moment, think about those folks that are -- and we have -- most of our households again live below the poverty level, who have been forced to toll block their phone, because they can't -- they don't have the same access of local exchange services that we have. Thank you.

LT. GOV. ULMER: Thank you very much, Steve. I would like to provide an opportunity for a few closing remarks from

everyone up here at the table. I can't believe that we are going to end on time. Kathy, do you have any closing remarks?

MS. BROWN: I just really thank you for this opportunity. I really appreciate it, Lt. Governor, and you, Nan, for having me here. I think this really starts to inform the debate over how we advance this whole area. It makes a whole lot of difference when we can put faces and voices to the stacks of paper we get in Washington, and so the opportunity to come and meet you all is really very much appreciated. Thank you.

COMMISSIONER THOMPSON: Thank you. I can believe we're ending on time, because you were running the show. And I want to thank you for coming here to do that, and giving your attention to these issues for the past three days. They've been a long three days, but they've been really interesting. I think we've all learned a lot.

I'm impressed again, and I was proud to share my state with these folks from the FCC, because Alaskans are so innovative and resourceful under very extreme circumstances at times, and I think what we've learned and heard here today is that there's some really good examples of this state, of people thinking creatively and working together to try and solve some of the problems. What we hope to do is expand on those and share some of those ideas more broadly so that we can get services deployed more broadly within the state.

And I agree, I'm thrilled that we do have representatives

from FCC here, and that the Joint Conference is coming here to make some of the record, because I feel like you really need to do -- need to see our state to appreciate its differences, and the FCC must get tired of hearing, but we're different, but we're different, because probably every one of our pleadings say it, but now there's a few more folks that understand that that's true, and why that's true, so thank you for coming.

LT. GOV. ULMER: Susan?

COMMISSIONER NESS: Thank you, and I also again want to thank Chairman Thompson and the Lt. Governor Fran Ulmer for their enormous contribution to our understanding of what Alaska is all about. The vision of the future, the excitement, the enthusiasm of a sate that really has it together, and I've been so very impressed. I was here, as we said before in 1997, and I came back, and I'm thrilled to see a lot of progress that has, in fact, been made.

I have my list of issues that I need to check on to see if we can do things to make the systems run even better. But more to the point, I have a much better understanding of the larger picture and what we need to do to provide both advanced communications and just basic phone service to all parts of this state, and how we take that information back and we look at the steps that we need to be taking across the country to make our telecommunications services the best in the world. So I want to thank all of you for the time that you've given to us

today, your generosity over the course of the last number of days in having us better understand your situation. And I'm extremely grateful. Thank you.

LT. GOV. ULMER: Well, just a few more thanks. Thanks to the panelists who I think did an excellent job of covering our subject matter today. Thanks to the staff of the RCA and the FCC and my staff for all of your hard work in organizing both the tours and the trips and today's event, and thanks to the providers and the communities that were our hosts, our sponsors, our -- the people who showed us around all of the communities that we've been in over the last couple of days. They were very generous with their time and making certain that we could paint the picture of how different Alaska is, how wonderful Alaska is, and how challenging Alaska is. But most of all, thanks to the FCC, because your effort to combine with the state commission, I think this is an excellent example of a federal/state partnership.

The FCC could have gone off and done its own thing without the state regulatory commissions and without going out to the people all across America to hear from people about not only what is happening, but our hopes for what could happen, and I think the new paradigm of the cooperation between the federal and state entities has been an excellent way for us to proceed. And, of course, being able to do this with communities, with regional organizations, with the private sector is the only way

we can make progress for this state and for our nation.

So, again, thanks to all of you for coming today. I hope you found it as interesting as I did, and I sincerely hope that when we all get together one year, two, years, four years from now, and look back at today, we can say, we've come a long way, baby. Thank you very much, ladies and gentlemen.

0890

(Off record - 4:05 p.m.)

(END OF PROCEEDINGS)

C E R T I F I C A T E

UNITED STATES OF AMERICA)
)ss.
STATE OF ALASKA)

I, Rebecca Nelms, Notary Public in and for the State of Alaska, residing at Anchorage, Alaska, and Reporter for R & R Court Reporters, Inc., do hereby certify:

THAT the annexed and foregoing THE FEDERAL - STATE JOINT CONFERENCE ON ADVANCED TELECOMMUNICATIONS SERVICES, ANCHORAGE FIELD HEARING taken by Suzan Olson, on the 17th day of April, 2000, commencing at the hour of 9:00 o'clock a.m, at the Z.J. Loussac Library, Anchorage, Alaska;

THAT this Transcript, as heretofore annexed, is a true and correct transcription of the proceedings transcribed by Julie Gonzales, Meredith Downing, Suzan Olson and myself;

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal this 19th day of April, 2000.

_____
Notary Public in and for Alaska
My Commission Expires: 10/10/02